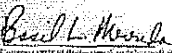



Exhibit 2

GSN-08-RE-720 (03/2005)

Commonwealth of Pennsylvania Department of State Bureau of Professional and Occupational Affairs PO Box 2649 Harrisburg PA 17105-2649		07 472977
Certificate Type Certified General Appraiser	Certificate Status Active	Initial Certification Date 08/06/1991
NORMAN ALLAN RAGER 370 SELMA STREET PHILADELPHIA PA 19116	Certificate Number GA000209L	Expiration Date 06/30/2009
		

CURRENT CERTIFIED GENERAL APPRAISER'S CERTIFICATE

FROM: NORMAN RADER Telephone Number: 215-698-8847 Fax Number:		<h1>INVOICE</h1> <table border="1"> <tr> <th>INVOICE NUMBER</th> </tr> <tr> <td>521COW08</td> </tr> <tr> <th>DATE</th> </tr> <tr> <td>6/16/08</td> </tr> <tr> <th>REFERENCE</th> </tr> </table>		INVOICE NUMBER	521COW08	DATE	6/16/08	REFERENCE
INVOICE NUMBER								
521COW08								
DATE								
6/16/08								
REFERENCE								
TO: EAGLE NATIONWIDE MORTGAGE Telephone Number: 215-7281221 Fax Number: Alternate Number: E-Mail:		Internal Order #: Lender Case #: Client File #: Main File # on form: Other File # on form: 441-8406221 Federal Tax ID: XXXXXXXXXX 3960 Employer ID: XXXXXXXXXX 3960						

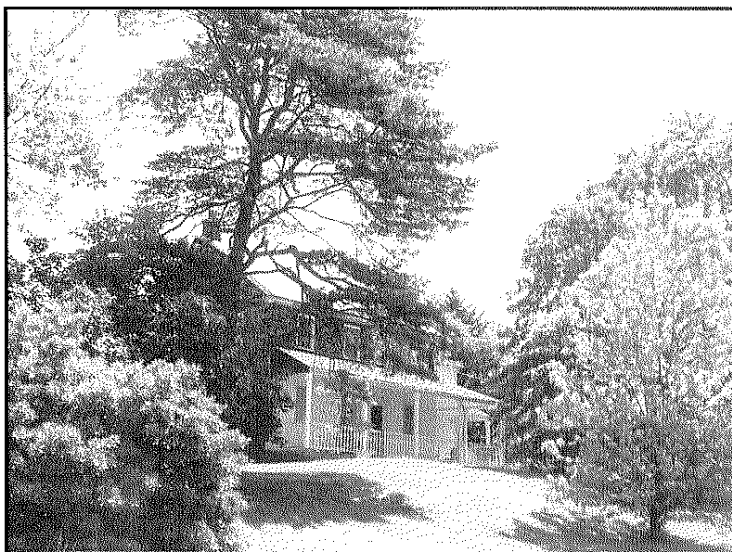
DESCRIPTION	
Lender: EAGLE NATIONWIDE MORTGAGE Purchaser/Borrower: KENNETH J TAGGART Property Address: 521 Cowpath Rd City: TELFORD County: MONTGOMERY Legal Description: SEE DEED AS RECORDED	Client: EAGLE NATIONWIDE MORTGAGE State: PA Zip: 18969-7100

FEES	AMOUNT
PAID	600.00
-600.00	-600.00
SUBTOTAL	

PAYMENTS	AMOUNT
Check #: Date: Description: Check #: Date: Description: Check #: Date: Description:	
SUBTOTAL	
TOTAL DUE	\$

Borrower/Client	KENNETH J TAGGART			File No.	521COW08
Property Address	521 Cowpath Rd				
City	TELFORD	County	MONTGOMERY	State	PA
Lender	EAGLE NATIONWIDE MORTGAGE			Zip Code	18969-7100

TABLE OF CONTENTS



Small Income	1
Supplemental Addendum w/sig block	8
Additional Comparables 4-6	10
Subject Photos	11
Subject Photos	12
Comparable Photos 1-3	13
Above-Grade Building Sketch (Page - 1)	14
LOCATION AND COMPARABLE SALES MAP	15
Comparable Photos 4-6	16
Operating Income Statement	17
Narrative Photo Addendum	19

Small Residential Income Property Appraisal Report

441-8406221
File # 521COW08

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.																																																																																																																																																																					
Property Address 521 Cowpath Rd			City TELFORD		State PA		Zip Code 18969-710																																																																																																																																																														
Borrower KENNETH J TAGGART			Owner of Public Record KENNETH J TAGGART		County MONTGOMERY																																																																																																																																																																
Legal Description SEE DEED AS RECORDED																																																																																																																																																																					
Assessor's Parcel # 300134001078004			Tax Year 2008		R.E. Taxes \$ 8,215.00																																																																																																																																																																
Neighborhood Name FRANCONIA TOWNSHIP/TELFORD			Map Reference 37964		Census Tract 2071.03																																																																																																																																																																
Occupant <input checked="" type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant Special Assessments \$ N/A <input type="checkbox"/> PUD HOA \$ <input type="checkbox"/> per year <input type="checkbox"/> per month																																																																																																																																																																					
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)																																																																																																																																																																					
Assignment Type <input type="checkbox"/> Purchase Transaction <input checked="" type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)																																																																																																																																																																					
Lender/Client EAGLE NATIONWIDE MORTGAGE Address 6823 CASTOR AVE PHILADELPHIA, PA. 19149																																																																																																																																																																					
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																																																																																					
Report data source(s) used, offering price(s), and date(s). TREND/ REALTY RECORDS/MLS/PROPERTY OWNER WERE USED.																																																																																																																																																																					
I <input type="checkbox"/> did <input checked="" type="checkbox"/> did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. NO AGREEMENT OF SALE ON SUBJECT REFINANCE																																																																																																																																																																					
Contract Price \$ N/A Date of Contract N/A Is the property seller the owner of public record? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s)																																																																																																																																																																					
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																																																																																					
If Yes, report the total dollar amount and describe the items to be paid. NONE KNOWN																																																																																																																																																																					
Note: Race and the racial composition of the neighborhood are not appraisal factors.																																																																																																																																																																					
<table border="1"> <thead> <tr> <th colspan="2">Neighborhood Characteristics</th> <th colspan="2">2-4 Unit Housing Trends</th> <th colspan="2">2-4 Unit Housing</th> <th colspan="2">Present Land Use %</th> </tr> </thead> <tbody> <tr> <td>Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural</td> <td>Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining</td> <td>PRICE</td> <td>AGE</td> <td>One-Unit</td> <td>60 %</td> <td></td> <td></td> </tr> <tr> <td>Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input checked="" type="checkbox"/> Under 25%</td> <td>Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply</td> <td>\$ (000)</td> <td>(yrs)</td> <td>2-4 Unit</td> <td>5 %</td> <td></td> <td></td> </tr> <tr> <td>Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow</td> <td>Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths</td> <td>100 Low</td> <td>NEW</td> <td>Multi-Family</td> <td>5 %</td> <td></td> <td></td> </tr> <tr> <td>Neighborhood Boundaries 15 MILE RADIUS FROM THE SUBJECT IN BUCKS AND</td> <td>2,000 High</td> <td>100+</td> <td>Commercial</td> <td>10 %</td> <td></td> <td></td> <td></td> </tr> <tr> <td>MONTGOMERY COUNTIES IN THE STATE OF PENNSYLVANIA.</td> <td>400 Pred.</td> <td>50</td> <td>Other</td> <td>20 %</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>										Neighborhood Characteristics		2-4 Unit Housing Trends		2-4 Unit Housing		Present Land Use %		Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	60 %			Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input checked="" type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %			Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	100 Low	NEW	Multi-Family	5 %			Neighborhood Boundaries 15 MILE RADIUS FROM THE SUBJECT IN BUCKS AND	2,000 High	100+	Commercial	10 %				MONTGOMERY COUNTIES IN THE STATE OF PENNSYLVANIA.	400 Pred.	50	Other	20 %																																																																																																															
Neighborhood Characteristics		2-4 Unit Housing Trends		2-4 Unit Housing		Present Land Use %																																																																																																																																																															
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	60 %																																																																																																																																																																
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input checked="" type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %																																																																																																																																																																
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	100 Low	NEW	Multi-Family	5 %																																																																																																																																																																
Neighborhood Boundaries 15 MILE RADIUS FROM THE SUBJECT IN BUCKS AND	2,000 High	100+	Commercial	10 %																																																																																																																																																																	
MONTGOMERY COUNTIES IN THE STATE OF PENNSYLVANIA.	400 Pred.	50	Other	20 %																																																																																																																																																																	
Neighborhood Description THE SUBJECT IS IN AN AREA WHICH CONSISTS OF MOSTLY MIXED STYLE RESIDENTIAL WITH LARGER ACREAGE PARCELS DWELLINGS, VARYING IN AGE, SIZE, STYLE, AND APPEAL. THE SUBJECT IS CONVENIENTLY LOCATED TO ALL PUBLIC AMENITIES. THERE ARE NO FACTORS NOTED THAT WOULD DETRACT FROM MARKETABILITY.																																																																																																																																																																					
Market Conditions (including support for the above conclusions) MULTI-FAMILY DWELLINGS IN THE SUBJECT'S COMPETITIVE MARKETING AREA ARE PURCHASED BY INVESTORS AND OWNER OCCUPANTS. MARKETING TIME MAY EXTEND BEYOND 6 MONTHS DEPENDING WHAT TIME OF THE YEAR PROPERTY IS PLACED ON MARKET.																																																																																																																																																																					
Dimensions IRREGULAR Area 4.86 ACRES Shape IRREGULAR View AVERAGE																																																																																																																																																																					
Specific Zoning Classification RESIDENTIAL 2-4 FAM Zoning Description 3 FAMILY TRIPLEX																																																																																																																																																																					
Zoning Compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)																																																																																																																																																																					
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe																																																																																																																																																																					
<table border="1"> <thead> <tr> <th colspan="2">Utilities</th> <th colspan="2">Public</th> <th colspan="2">Other (describe)</th> <th colspan="2">Off-site Improvements - Type</th> <th colspan="2">Public</th> <th colspan="2">Private</th> </tr> </thead> <tbody> <tr> <td>Electricity</td> <td><input checked="" type="checkbox"/></td> <td></td> <td></td> <td>Water</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/> WELL</td> <td>Street</td> <td>MACADAM</td> <td><input checked="" type="checkbox"/></td> <td></td> <td></td> </tr> <tr> <td>Gas</td> <td><input type="checkbox"/></td> <td></td> <td>PROPANE/OIL</td> <td>Sanitary Sewer</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/> SEPTIC</td> <td>Alley</td> <td>NONE</td> <td><input type="checkbox"/></td> <td></td> <td></td> </tr> <tr> <td>FEMA Special Flood Hazard Area</td> <td><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> <td>FEMA Flood Zone X</td> <td>FEMA Map # 42091C0128F</td> <td>FEMA Map Date 10/19/2001</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>										Utilities		Public		Other (describe)		Off-site Improvements - Type		Public		Private		Electricity	<input checked="" type="checkbox"/>			Water	<input type="checkbox"/>	<input checked="" type="checkbox"/> WELL	Street	MACADAM	<input checked="" type="checkbox"/>			Gas	<input type="checkbox"/>		PROPANE/OIL	Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/> SEPTIC	Alley	NONE	<input type="checkbox"/>			FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FEMA Flood Zone X	FEMA Map # 42091C0128F	FEMA Map Date 10/19/2001																																																																																																																			
Utilities		Public		Other (describe)		Off-site Improvements - Type		Public		Private																																																																																																																																																											
Electricity	<input checked="" type="checkbox"/>			Water	<input type="checkbox"/>	<input checked="" type="checkbox"/> WELL	Street	MACADAM	<input checked="" type="checkbox"/>																																																																																																																																																												
Gas	<input type="checkbox"/>		PROPANE/OIL	Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/> SEPTIC	Alley	NONE	<input type="checkbox"/>																																																																																																																																																												
FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	FEMA Flood Zone X	FEMA Map # 42091C0128F	FEMA Map Date 10/19/2001																																																																																																																																																																	
Are the utilities and/or off-site improvements typical for the market area? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe																																																																																																																																																																					
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe																																																																																																																																																																					
THERE ARE NO ADVERSE EASEMENTS, ENCROACHMENTS, SLIDE AREAS OR OTHER FACTORS THAT WOULD DETRACT																																																																																																																																																																					
<table border="1"> <thead> <tr> <th colspan="2">General Description</th> <th colspan="2">Foundation</th> <th colspan="2">Exterior Description</th> <th colspan="2">materials/condition</th> <th colspan="2">Interior</th> <th colspan="2">materials/condition</th> </tr> </thead> <tbody> <tr> <td>Units <input type="checkbox"/> Two <input checked="" type="checkbox"/> Three <input type="checkbox"/> Four</td> <td>Concrete Slab <input type="checkbox"/> Crawl Space</td> <td>Foundation Walls</td> <td>STONE/CONC/AVG</td> <td>Floors</td> <td>CARPET/AVG</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Accessory Unit (describe below)</td> <td><input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement</td> <td>Exterior Walls</td> <td>STONE/STUC/SID</td> <td>Walls</td> <td>PLAS-DRWL/AVG</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td># of Stories 2</td> <td>Basement Area sq.ft.</td> <td>Roof Surface</td> <td>SHIN/SLATE/MET</td> <td>Trim/Finish</td> <td>WOOD/AVG</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit</td> <td>Basement Finish</td> <td>Gutters & Downspouts</td> <td>ALUMINUM/AVG</td> <td>Bath Floor</td> <td>CER-TILE/AVG</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.</td> <td>Outside Entry/Exit <input type="checkbox"/> Sump Pump</td> <td>Window Type</td> <td>VINYL/WOOD/AVG</td> <td>Bath Wainscot</td> <td>CER-TILE/AVG</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Design (Style) TRIPLEX</td> <td>Evidence of <input type="checkbox"/> Infestation NONE EVI</td> <td>Storm Sash/Insulated</td> <td>YES/AVG</td> <td>Car Storage</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Year Built 1868</td> <td><input type="checkbox"/> Dampness <input checked="" type="checkbox"/> Settlement</td> <td>Screens</td> <td>YES/YES</td> <td><input type="checkbox"/> None</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Effective Age (Yrs) 15 YRS</td> <td>Heating/Cooling</td> <td>Amenities</td> <td></td> <td><input checked="" type="checkbox"/> Driveway # of Cars 10</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Attic <input type="checkbox"/> None</td> <td><input type="checkbox"/> FWA <input checked="" type="checkbox"/> HWBB <input type="checkbox"/> Radiant</td> <td>Fireplace(s) #</td> <td><input type="checkbox"/> Woodstove(s) #</td> <td>Driveway Surface</td> <td>ASPHALT</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Drop Stair <input checked="" type="checkbox"/> Stairs</td> <td><input type="checkbox"/> Other <input type="checkbox"/> Fuel OIL-ELEC</td> <td>Patio/Deck</td> <td><input type="checkbox"/> Fence</td> <td><input checked="" type="checkbox"/> Garage # of Cars 5</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Floor <input type="checkbox"/> Scuffie</td> <td><input checked="" type="checkbox"/> Cooling <input checked="" type="checkbox"/> Central Air Conditioning</td> <td>Pool</td> <td><input checked="" type="checkbox"/> Porch 4</td> <td><input type="checkbox"/> Carport # of Cars</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><input type="checkbox"/> Finished <input type="checkbox"/> Heated</td> <td><input type="checkbox"/> Individual <input type="checkbox"/> Other</td> <td><input type="checkbox"/> Other</td> <td></td> <td><input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>										General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition		Units <input type="checkbox"/> Two <input checked="" type="checkbox"/> Three <input type="checkbox"/> Four	Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	STONE/CONC/AVG	Floors	CARPET/AVG							Accessory Unit (describe below)	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	STONE/STUC/SID	Walls	PLAS-DRWL/AVG							# of Stories 2	Basement Area sq.ft.	Roof Surface	SHIN/SLATE/MET	Trim/Finish	WOOD/AVG							Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Finish	Gutters & Downspouts	ALUMINUM/AVG	Bath Floor	CER-TILE/AVG							<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	VINYL/WOOD/AVG	Bath Wainscot	CER-TILE/AVG							Design (Style) TRIPLEX	Evidence of <input type="checkbox"/> Infestation NONE EVI	Storm Sash/Insulated	YES/AVG	Car Storage								Year Built 1868	<input type="checkbox"/> Dampness <input checked="" type="checkbox"/> Settlement	Screens	YES/YES	<input type="checkbox"/> None								Effective Age (Yrs) 15 YRS	Heating/Cooling	Amenities		<input checked="" type="checkbox"/> Driveway # of Cars 10								Attic <input type="checkbox"/> None	<input type="checkbox"/> FWA <input checked="" type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Fireplace(s) #	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	ASPHALT							<input checked="" type="checkbox"/> Drop Stair <input checked="" type="checkbox"/> Stairs	<input type="checkbox"/> Other <input type="checkbox"/> Fuel OIL-ELEC	Patio/Deck	<input type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars 5								<input checked="" type="checkbox"/> Floor <input type="checkbox"/> Scuffie	<input checked="" type="checkbox"/> Cooling <input checked="" type="checkbox"/> Central Air Conditioning	Pool	<input checked="" type="checkbox"/> Porch 4	<input type="checkbox"/> Carport # of Cars								<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Other		<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in							
General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition																																																																																																																																																											
Units <input type="checkbox"/> Two <input checked="" type="checkbox"/> Three <input type="checkbox"/> Four	Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	STONE/CONC/AVG	Floors	CARPET/AVG																																																																																																																																																																
Accessory Unit (describe below)	<input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	STONE/STUC/SID	Walls	PLAS-DRWL/AVG																																																																																																																																																																
# of Stories 2	Basement Area sq.ft.	Roof Surface	SHIN/SLATE/MET	Trim/Finish	WOOD/AVG																																																																																																																																																																
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Finish	Gutters & Downspouts	ALUMINUM/AVG	Bath Floor	CER-TILE/AVG																																																																																																																																																																
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	VINYL/WOOD/AVG	Bath Wainscot	CER-TILE/AVG																																																																																																																																																																
Design (Style) TRIPLEX	Evidence of <input type="checkbox"/> Infestation NONE EVI	Storm Sash/Insulated	YES/AVG	Car Storage																																																																																																																																																																	
Year Built 1868	<input type="checkbox"/> Dampness <input checked="" type="checkbox"/> Settlement	Screens	YES/YES	<input type="checkbox"/> None																																																																																																																																																																	
Effective Age (Yrs) 15 YRS	Heating/Cooling	Amenities		<input checked="" type="checkbox"/> Driveway # of Cars 10																																																																																																																																																																	
Attic <input type="checkbox"/> None	<input type="checkbox"/> FWA <input checked="" type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Fireplace(s) #	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	ASPHALT																																																																																																																																																																
<input checked="" type="checkbox"/> Drop Stair <input checked="" type="checkbox"/> Stairs	<input type="checkbox"/> Other <input type="checkbox"/> Fuel OIL-ELEC	Patio/Deck	<input type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars 5																																																																																																																																																																	
<input checked="" type="checkbox"/> Floor <input type="checkbox"/> Scuffie	<input checked="" type="checkbox"/> Cooling <input checked="" type="checkbox"/> Central Air Conditioning	Pool	<input checked="" type="checkbox"/> Porch 4	<input type="checkbox"/> Carport # of Cars																																																																																																																																																																	
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Other		<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in																																																																																																																																																																	
<table border="1"> <thead> <tr> <th># of Appliances</th> <th>Refrigerator</th> <th>Range/Oven</th> <th>3</th> <th>Dishwasher</th> <th>Disposal</th> <th>Microwave</th> <th>Washer/Dryer</th> <th>Other (describe)</th> </tr> </thead> <tbody> <tr> <td>Unit # 1 contains:</td> <td>7</td> <td>Rooms</td> <td>4</td> <td>Bedrooms</td> <td>1.5</td> <td>Bath(s)</td> <td>2,152</td> <td>Square Feet of Gross Living Area</td> </tr> <tr> <td>Unit # 2 contains:</td> <td>3</td> <td>Rooms</td> <td>1</td> <td>Bedrooms</td> <td>1</td> <td>Bath(s)</td> <td>1,146</td> <td>Square Feet of Gross Living Area</td> </tr> <tr> <td>Unit # 3 contains:</td> <td>9</td> <td>Rooms</td> <td>5</td> <td>Bedrooms</td> <td>2.5</td> <td>Bath(s)</td> <td>2,337</td> <td>Square Feet of Gross Living Area</td> </tr> <tr> <td>Unit # 4 contains:</td> <td></td> <td>Rooms</td> <td></td> <td>Bedrooms</td> <td></td> <td>Bath(s)</td> <td></td> <td>Square Feet of Gross Living Area</td> </tr> </tbody> </table>										# of Appliances	Refrigerator	Range/Oven	3	Dishwasher	Disposal	Microwave	Washer/Dryer	Other (describe)	Unit # 1 contains:	7	Rooms	4	Bedrooms	1.5	Bath(s)	2,152	Square Feet of Gross Living Area	Unit # 2 contains:	3	Rooms	1	Bedrooms	1	Bath(s)	1,146	Square Feet of Gross Living Area	Unit # 3 contains:	9	Rooms	5	Bedrooms	2.5	Bath(s)	2,337	Square Feet of Gross Living Area	Unit # 4 contains:		Rooms		Bedrooms		Bath(s)		Square Feet of Gross Living Area																																																																																																															
# of Appliances	Refrigerator	Range/Oven	3	Dishwasher	Disposal	Microwave	Washer/Dryer	Other (describe)																																																																																																																																																													
Unit # 1 contains:	7	Rooms	4	Bedrooms	1.5	Bath(s)	2,152	Square Feet of Gross Living Area																																																																																																																																																													
Unit # 2 contains:	3	Rooms	1	Bedrooms	1	Bath(s)	1,146	Square Feet of Gross Living Area																																																																																																																																																													
Unit # 3 contains:	9	Rooms	5	Bedrooms	2.5	Bath(s)	2,337	Square Feet of Gross Living Area																																																																																																																																																													
Unit # 4 contains:		Rooms		Bedrooms		Bath(s)		Square Feet of Gross Living Area																																																																																																																																																													
Additional features (special energy efficient items, etc.).																																																																																																																																																																					
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). THE SUBJECT IS WELL MAINTAINED AND IN AVERAGE CONDITION WITH SEMI MODERN KITCHENS AND BATHS. NO REPAIRS OR MODERNIZATION NEEDED.																																																																																																																																																																					

Small Residential Income Property Appraisal Report

441-8406221

File # 521COW08

IMPROVEMENTS	Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe.									
	THERE WERE NO PHYSICAL DEFICIENCIES OR ADVERSE CONDITIONS THAT AFFECT THE LIVABILITY, SOUNDNESS, OR STRUCTURAL INTEGRITY OF THE PROPERTY. THE APPRAISAL IS MADE "AS IS".									
	Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. THE PROPERTY GENERALLY CONFORMS TO THE NEIGHBORHOOD.									
	Is the property subject to rent control? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe									
COMPARABLE RENTAL DATA	The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.									
	FEATURE		SUBJECT		COMPARABLE RENTAL # 1		COMPARABLE RENTAL # 2		COMPARABLE RENTAL # 3	
	Address 521 Cowpath Rd		16 ROUTE 113		2204 THREE RUN RD		903 RIDGE RD			
	TELFORD, PA 18969-7100		PERKASIE, PA 18944		PERKASIE, PA 18944		SELLERSVILLE, PA 18960			
	Proximity to Subject		1.26 miles SE		3.24 miles SE		3.19 miles E			
	Current Monthly Rent		\$ 2400		\$ 2500		\$ 2725			
	Rent/Gross Bldg. Area		\$ 1.48 sq.ft.		\$ 0.88 sq.ft.		\$ 0.83 sq.ft.			
	Rent Control		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	Data Source(s)		OWNER		MLS		BROKER/MLS		BROKER/MLS	
	Date of Lease(s)		MTH/MTH/OWN		MTH/MTH		MTH/MTH		MTH/MTH	
SUBJECT RENT SCHEDULE	Location		AVERAGE		AVERAGE		AVERAGE		AVERAGE	
	Actual Age		140 YRS		153 YRS		9 YRS		90 YRS	
	Condition		AVERAGE		AVERAGE		AVERAGE		AVERAGE	
	Gross Building Area		5,635		1624		2827		3272	
	Unit Breakdown		Rm Count Size Sq. Ft.		Rm Count Size Sq. Ft.		Rm Count Size Sq. Ft.		Rm Count Size Sq. Ft.	
	Unit # 1		Tot Br Ba 5635		Tot Br Ba 1624		Tot Br Ba 2827		Tot Br Ba 3272	
	Unit # 2		7 4 1.5 2,152		10 4 3.5 1,624		7 4 2.5 2,827		3 1 1 972	
	Unit # 3		3 1 1 1,146						4 2 1 1,150	
	Unit # 4		9 5 2.5 2,337						4 2 1 1,150	
	Utilities Included									
Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) RENTAL COMPARABLES #1 & #2 ARE SIMILAR SIZE 4-5 BEDROOM COMPARABLES THAT WOULD INDICATE COMPARABLE RENT FOR UNITS #1 & #3 OF THE SUBJECT. COMPARABLE #3 IS A THREE UNIT RESIDENTIAL THAT IS A GOOD RENTAL INDICATOR FOR UNIT #2 OF THE SUBJECT PROPERTY.										
Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.										
PRIOR SALE HISTORY	Leases		Actual Rents				Opinion of Market Rent			
	Lease Date		Per Unit		Total Rents		Per Unit		Total Rents	
	Unit #	Begin Date End Date	Unfurnished	Furnished		Unfurnished	Furnished			
	1	MTH/MTH	\$ 1,750	\$	\$ 1,750	\$ 2,700		\$ 2,700		
	2	MTH/MTH	795		795	875		875		
	3	OWNER				2,800		2,800		
	4									
	Comment on lease data		Total Actual Monthly Rent		\$ 2545		Total Gross Monthly Rent		\$ 6,375	
			Other Monthly Income (itemize)		\$		Other Monthly Income (itemize)		\$	
			Total Actual Monthly Income		\$ 2,545		Total Estimated Monthly Income		\$ 6,375	
Utilities included in estimated rents <input type="checkbox"/> Electric <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Gas <input type="checkbox"/> Oil <input type="checkbox"/> Trash collection <input type="checkbox"/> Cable <input type="checkbox"/> Other										
Comments on actual or estimated rents and other monthly income (including personal property) UNIT #1 & #2 ARE RENTED. UNITS #1 AND #2 ARE LOW FOR MARKET PLACE; UNIT #3 IS OWNER OCCUPIED AND RENT WAS ESTIMATED USING SIMILAR COMPARABLE RENTAL PROPERTIES IN THE SUBJECT'S COMPETITIVE MARKETING AREA.										
I <input type="checkbox"/> did <input checked="" type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain										
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.										
Data Source(s) MLS;PUBLIC RECORDS;OWNER										
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.										
Data Source(s) MLS;PUBLIC RECORDS										
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).										
ITEM		SUBJECT		COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3		
Date of Prior Sale/Transfer		N/A		N/A		N/A		N/A		
Price of Prior Sale/Transfer										
Data Source(s)		MLS;PUBLIC RECORDS		MLS;PUBLIC RECORDS		MLS;PUBLIC RECORDS		MLS;PUBLIC RECORDS		
Effective Date of Data Source(s)		6/16/08		6/16/08		6/16/08		6/16/08		
Analysis of prior sale or transfer history of the subject property and comparable sales NO PRIOR SALES ON THE SUBJECT IN THE PAST 3 YEARS; NO PRIOR SALES ON THE COMPARABLES IN THE PRIOR 1 YEAR.										

Small Residential Income Property Appraisal Report

441-8406221
File # 521COW08

There are 4 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 849,000 to \$ 1,495,000	
There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 650,000 to \$ 1,150,000	
FEATURE	SUBJECT
Address	521 Cowpath Rd TEL福德, PA 18969-710
Proximity to Subject	3206 SKIPPACK PIKE LANDSDALE, PA 19446
Sale Price	1.59 miles E \$ 1,150,000
Sale Price/Gross Bldg. Area	2270 PERKIOMENVILLE RD HARLEYSVILLE, PA 19438
Gross Monthly Rent	3055 BEDMINSTER RD PERKASIE, PA 18944
Gross Rent Multiplier	6.41 miles NE
Price per Unit	
Price per Room	
Price per Bedroom	
Rent Control	
Data Source(s)	
Verification Source(s)	
VALUE ADJUSTMENTS	DESCRIPTION
Sale or Financing	
Concessions	
Date of Sale/Time	
Location	
Leasehold/Fee Simple	
Site	
View	
Design (Style)	
Quality of Construction	
Actual Age	
Condition	
Gross Building Area	
Unit Breakdown	
Unit # 1	
Unit # 2	
Unit # 3	
Unit # 4	
Basement Description	
Basement Finished Rooms	
Functional Utility	
Heating/Cooling	
Energy Efficient Items	
Parking On/Off Site	
Porch/Patio/Deck	
POOL	
SEM MOD KITS	
NO FIREPLACE	
Net Adjustment (Total)	
Adjusted Sale Price of Comparables	
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)	
Adjusted Price Per Bedroom (Adj. SP Comp / # of Comp Bedrooms)	
Value per Unit	
Value per Rm.	
Summary of Sales Comparison Approach including reconciliation of the above indicators of value.	
See attached addenda.	
Indicated Value by Sales Comparison Approach \$ 875,000	
Total gross monthly rent \$ 6375 X gross rent multiplier (GRM) 235.00 = \$ 1498125 Indicated value by the Income Approach	
Comments on income approach including reconciliation of the GRM RENTAL INCOME VARIES ON MULTI-UNIT DWELLINGS OF DIFFERENT AGE, SIZE AND CONDITION.	
Indicated Value by: Sales Comparison Approach \$ 875,000 Income Approach \$ 1498125 Cost Approach (if developed) \$ N/A	
ALL APPROACHES TO VALUE WERE CONSIDERED, MOST WEIGHT TO THE MARKET DATA APPROACH AND SOME WEIGHT ON THE INCOME APPROACH, HOWEVER MOST WEIGHT GIVEN TO THE MARKET DATA APPROACH AS MOST PROPERTIES OF THIS TYPE ARE PURCHASED BY OWNER OCCUPANTS. THE COST APPROACH DOES NOT APPLY DUE TO THE AGE OF THE SUBJECT.	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: <input type="checkbox"/>	
APPRaisal IS MADE AS IS. ALL UTILITIES WERE ON AN OPERATING AT THE TIME OF THE INSPECTION.	
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 875,000, as of JUNE 16, 2008, which is the date of inspection and the effective date of this appraisal.	

Small Residential Income Property Appraisal Report

441-8406221
File # 521COW08

URAR: Conditions of Appraisal

THIS IS A SUMMARY APPRAISAL WHICH IS INTENDED TO COMPLY WITH THE REPORTING REQUIREMENTS SET FORTH UNDER STANDARDS 2-2(b) OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE FOR A SUMMARY APPRAISAL. AS SUCH IT PRESENTS ONLY DISCUSSIONS OF THE DATA, REASONING AND ANALYSES THAT WERE USED IN THE APPRAISAL PROCESS TO DEVELOP THE APPRAISER'S OPINION OF VALUE. SUPPORTING DOCUMENTATION THAT IS NOT PROVIDED WITH THE REPORT CONCERNING THE DATA, REASONING AND ANALYSES IS RETAINED IN THE APPRAISER'S FILE. THE DEPTH OF THE DISCUSSION CONTAINED IN THIS REPORT IS SPECIFIC TO THE NEEDS OF THE CLIENT AND FOR THE INTENDED USE STATED IN THE REPORT. THE APPRAISER IS NOT RESPONSIBLE FOR UNAUTHORIZED USE OF THIS REPORT.

THE READER IS CAUTIONED THAT THE APPRAISER'S FUNCTION IS TO ESTIMATE AND ESTABLISH THE VALUE OF THE SUBJECT PROPERTY. WHILE MECHANICAL SYSTEMS, ROOFS AND STRUCTURAL INTEGRITY ARE CONSIDERED BY THE APPRAISER IN ESTIMATING AND ESTABLISHING THE VALUE, THE APPRAISER HAS NO EXPERTISE IN THESE ITEMS AND EVEN THOUGH THEY ARE MENTIONED IN THE APPRAISAL REPORT THAT REFERENCE DOES NOT CARRY ANY WARRANTY, INFERRED OR IMPLIED, REGARDING THEIR CONDITION OR WORKING ORDER. ANY PARTY TO THIS TRANSACTION THAT HAS AN INTEREST IS ENCOURAGED TO PERFORM THEIR OWN DUE DILIGENCE INVESTIGATION IN ORDER TO SATISFY ANY QUESTIONS THEY MAY HAVE REGARDING THESE ITEMS.

FUNCTION OF APPRAISAL

The function of this report is to guide the financing entity or its nominee in an estimate of market value for the subject property. This Real Estate Appraisal is intended for the use of EAGLE NATIONWIDE MTGE CO or any other financing entity that has been assigned this report by EAGLE NATIONWIDE MTGE CO. Use of this report by others is not intended.

The need for determining the market value, we have been informed, is to establish the potential value for financing purposes.

COST APPROACH

IT IS NOTED THAT THE COST APPROACH TO VALUE WAS NOT UTILIZED DUE TO NOT BEING ABLE TO ACCURATELY ESTIMATE ACCRUED DEPRECIATION.

ADDITIONAL COMMENTS

COST APPROACH

PUD INFORMATION

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) THE SUBJECT'S NEIGHBORHOOD IS IN EXCESS OF 100 YRS OLD NO LAND SALES EXIST. THE APPRAISER HAS USED LAND ALLOCATION BASED ON HISTORICAL DATA INDICATING OPTIMUM BREAKDOWN OF 75% TO IMPROVEMENTS AND 25% TO THE LANDCOST OR A VALUE OF \$218,750. APPROACH N/A DUE TO AGE OF SUBJECT.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$
Source of cost data	DWELLING Sq.Ft. @ \$	= \$
Quality rating from cost service	Effective date of cost data	Sq.Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)		= \$
	Garage/Carport Sq.Ft. @ \$	= \$
	Total Estimate of Cost-New	= \$
	Less Physical Functional External	
	Depreciation	= \$()
	Depreciated Cost of Improvements	= \$
	"As-is" Value of Site Improvements	= \$
Estimated Remaining Economic Life (HUD and VA only)	45 Years	INDICATED VALUE BY COST APPROACH = \$

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project
Total number of phases Total number of units Total number of units sold
Total number of units rented Total number of units for sale Data source(s)
Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.
Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source
Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.
Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.
Describe common elements and recreational facilities.

Small Residential Income Property Appraisal Report

441-8406221
File # 521COW08

This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Small Residential Income Property Appraisal Report

441-8406221

File # 521COW08

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property, including all units. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Small Residential Income Property Appraisal Report

441-8406221
File # 521COW08

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

- I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
- I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
- The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
- This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
- If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature *Norm A A Rader*
Name NORMAN A A RADER
Company Name N RADER ASSOCIATES
Company Address SUITE 201 370 SELMA STREET,
PHILADELPHIA, PA 19116
Telephone Number 215-698-8847
Email Address _____
Date of Signature and Report 06/18/2008
Effective Date of Appraisal JUNE 16, 2008
State Certification # PA GA 000289L
or State License # _____
or Other (describe) _____ State # _____
State PA
Expiration Date of Certification or License 6/30/2009

ADDRESS OF PROPERTY APPRAISED

521 Cowpath Rd
TELFORD, PA 18969-7100

APPRAISED VALUE OF SUBJECT PROPERTY \$ 875,000

LENDER/CLIENT

Name _____
Company Name EAGLE NATIONWIDE MORTGAGE
Company Address 6823 CASTOR AVE PHILADELPHIA,
PA. 19149
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
- ☐ Did inspect exterior of subject property from street
Date of Inspection _____
- ☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
- ☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Supplemental Addendum

File No. 521COW08

Borrower/Client	KENNETH J TAGGART					
Property Address	521 Cowpath Rd					
City	TELFORD	County	MONTGOMERY	State	PA	Zip Code 18969-7100
Lender	EAGLE NATIONWIDE MORTGAGE					

521 Cowpath Rd
Telford, Pa 18969

COMMENTS ON MARKET DATA AND MARKETABILITY


Last sale on the subject property prior to current owner was: 1/1/51.
SIMILAR properties to the subject in Franconia Township but have not sold. This indicates that there are SIMILAR properties in the subject's marketing area, however none have sold recently OR ARE MEANINGFUL WHEN RELATED TO THE SUBJECT as many are held by owners for many years and they do not come on the market very often. When they do come on the market, marketing time is usually typical to other properties in the market place as long as the asking price is reasonable for the property being offered For Sale.

SIMILAR properties in Franconia Township:

144 Allentown Rd : Last Sale 7/16/99
863 Harleysville Pike; Last Sale 7/21/95
198 Middle Park Dr: Last Sale 5/17/02
831 Kulp Rd: Last Sale 5/13/04
462 harleysville Pike: Last Sale 12/30/92
774 Morewood Rd Last Sale 1/1/95
678 County Line Rd Last Sale 1/3/85
112 Schoolhouse Ln Last Sale 2/8/73
461 Homestead Ave Last Sale 1/1/75
759 Cowpath Rd Last Sale 6/10/88
164 Telford Pike Last Sale 9/15/78
237 Morwood Rd Last Sale 11/29/83
318 Morwood Rd Last Sale 9/30/95
326 Leidy Rd Last Sale 1/1/61
490 Cowpath Rd Last Sale 1/11/91
817 Morwood Rd Last Sale 6/29/01
759 Morwood Rd Last Sale 8/17/04
102 Allentown Rd Last Sale 2/10/00
612 Bergy Rd Last Sale 1/1/70
715 Kellers Rd Last Sale 8/22/75
210 Yale Ct Last Sale 11/21/03
939 Camp Rd Last Sale 3/1/72
91 Allentown Rd Last Sale 12/28/88
824 Allentown Rd Last Sale 3/19/92

• Small Income : Sales Comparison - Summary

ALL COMPARABLES ARE CONSIDERED TO BE RELIABLE VALUE INDICATORS AND THE BEST AVAILABLE AT THIS TIME. IT WAS NECESSARY TO EXTEND THE SEARCH BEYOND ONE MILE DUE TO THE RURAL NATURE AND THE LACK OF MORE SIMILAR PROPERTIES THAT HAVE SOLD IN THE IMMEDIATE AREA. MOST WEIGHT GIVEN TO ADJUSTED VALUES. SEE ALSO ADDITIONAL COMPARABLES #4 & #5 TO SUPPORT VALUE- ONE LISTING AND ONE PENDING SALE. COMPARABLE #4 IS A SIMILAR 3 UNIT AND IS CONSIDERED MOST SIMILAR TO THE SUBJECT IN AGE, SQUARE FOOT AGE, AND LOT SIZE. SINGLE ADJUSTMENTS EXCEED 10%, NET ADJUSTMENTS EXCEED 15%


Signature 	Signature _____
Name NORMAN A A RADER	Name _____
Date Signed 06/18/2008	Date Signed _____
State Certification # PA GA 000289L State PA	State Certification # _____ State PA
Or State License # _____ State _____	Or State License # _____ State _____

Supplemental Addendum

File No. **521COW08**

Borrower/Client	KENNETH J TAGGART			
Property Address	521 Cowpath Rd			
City	TELFORD	County	MONTGOMERY	State PA Zip Code 18969-7100
Lender	EAGLE NATIONWIDE MORTGAGE			

**DUE TO THE LACK OF MORE SIMILAR 18, 2008 COMPARABLES SOLD RECENTLY WITHIN THE
SUBJECT'S COMPETITIVE MARKETING AREA.**

Signature 
Name **NORMAN A A RADER**
Date Signed **06/18/2008**
State Certification # **PA GA 000289L** State **PA**
Or State License # _____ State _____

Signature _____
Name _____
Date Signed _____
State Certification # _____ State **PA**
Or State License # _____ State _____

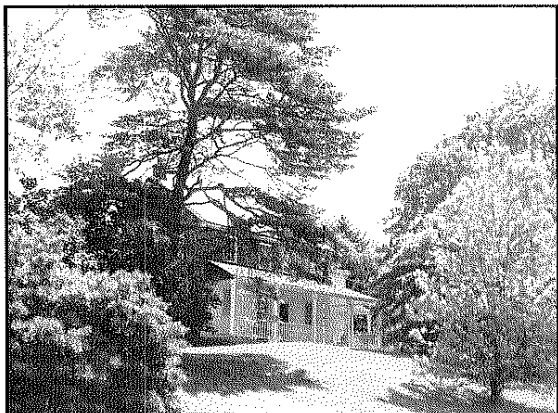
Small Residential Income Property Appraisal Report

441-8406221
File # 521COW08

FEATURE		SUBJECT		COMPARABLE SALE #4		COMPARABLE SALE #5		COMPARABLE SALE #6	
Address		521 Cowpath Rd TELFORD, PA 18969-710		1620 NORTH WALES RD BLUE BELL PA 19422		1722 RIDGE RD PERKASIE, PA 18944			
Proximity to Subject				3.85 miles SE		4.01 miles NE			
Sale Price		\$ N/A		\$ 1,000,000		\$ 849,000			
Sale Price/Gross Bldg. Area				\$ 167.87 sq.ft.		\$ 259.71 sq.ft.			
Gross Monthly Rent		\$ 6,375.00		\$ 4,200		\$ 3,300			
Gross Rent Multiplier				238.10		257.27			
Price per Unit				\$ 333,333		\$ 424,500			
Price per Room				\$ 38,462		\$ 84,900			
Price per Bedroom				\$ 90,909		\$ 169,800			
Rent Control		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Data Source(s)				MLS;BROKER		MLS;BROKER			
Verification Source(s)				BROKER/PUBLIC RECORDS		BROKER/PUBLIC RECORDS			
VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION +(-) Adjustment		DESCRIPTION +(-) Adjustment		DESCRIPTION +(-) Adjustment	
Sale or Financing				PENDING SALE		ACTIVE LISTING			
Concessions				FIN PRICE UNK					
Date of Sale/Time				PEND 9/18/08					
Location		AVERAGE		AVERAGE		AVERAGE			
Leasehold/Fee Simple		Fee Simple		FEE		FEE			
Site		4.86 ACRES		6.99 ACRES -10,000		10.41 ACRES -25,000			
View		AVERAGE		AVERAGE		AVERAGE			
Design (Style)		TRIPLEX		TRIPLEX		DUPLEX			
Quality of Construction		AVERAGE		AVERAGE		AVERAGE			
Actual Age		140 YRS		173 YRS		157 YRS			
Condition		AVERAGE		AVERAGE		AVERAGE			
Gross Building Area		5,635		5,957 -12,880		3,269 +94,640			
Unit Breakdown		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Unit # 1		7 4 1.5		10 5 3		6 3 2.5			
Unit # 2		3 1 1		8 3 1.5		4 2 1.5			
Unit # 3		9 5 2.5		8 3 1.5					
Unit # 4									
Basement Description				FULL		FULL			
Basement Finished Rooms		UNFINISHED		UNFINISHED		UNFINISHED			
Functional Utility		AVERAGE		AVERAGE		AVERAGE			
Heating/Cooling		OHW-EBB/NOCA		OBB/NONE		OBB/CA -10,000			
Energy Efficient Items		AVERAGE		AVERAGE		AVERAGE			
Parking On/Off Site		5 CAR GARAGE		1 CAR GARAGE +20,000		3 CAR GARAGE +10,000			
Porch/Patio/Deck		4 PORCH		BARN		PORCH/DECK +10,000			
POOL		NO POOL		NO POOL		A.G. POOL			
		SEM MOD KITS		MOD KIT -30,000		MOD KIT -30,000			
		NO FIREPLACE		2 FIREPLACE -4,000		NO FIREPLACE			
Net Adjustment (Total)				<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -36,880		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 49,640		<input type="checkbox"/> + <input type="checkbox"/> - \$	
Adjusted Sale Price of Comparables				Net Adj. 3.7 % Gross Adj. 7.7 % \$ 963,120		Net Adj. 5.8 % Gross Adj. 21.2 % \$ 898,640		Net Adj. % Gross Adj. % \$	
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)				\$ 321,040		\$ 449,320		\$	
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)				\$ 37,043		\$ 89,864		\$	
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)				\$ 87,556		\$ 179,728		\$	
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).									
ITEM		SUBJECT		COMPARABLE SALE #4		COMPARABLE SALE #5		COMPARABLE SALE #6	
Date of Prior Sale/Transfer		N/A		N/A		N/A			
Price of Prior Sale/Transfer									
Data Source(s)		MLS;PUBLIC RECORD		MLS;PUBLIC RECORD		MLS;PUBLIC RECORDS			
Effective Date of Data Source(s)		6/16/08		6/16/08		6/16/08			
Analysis of prior sale or transfer history of the subject property and comparable sales NO PRIOR SALES ON COMPARABLES #4 OR #5 IN PAST 1 YEAR.									
Analysis/Comments									
ENCLOSED ARE TWO ADDITIONAL COMPARABLES TO SUPPORT VALUE. COMPARABLE #4 IS A PENDING SALE AS OF THE EFFECTIVE DATE OF THE APPRAISAL; THE PENDING PRICE IS UNKNOWN DUE TO PRIVACY LAWS AND THE PRICE INDICATED IS THE ASKING PRICE IN THE MARKET ANALYSIS GRID. COMPARABLE #5 IS AN ACTIVE LISTING AS OF THE EFFECTIVE DATE OF THE APPRAISAL.									

Subject Photo Page

Borrower/Client	KENNETH J TAGGART					
Property Address	521 Cowpath Rd					
City	TELFORD	County	MONTGOMERY	State	PA	Zip Code 18969-7100
Lender	EAGLE NATIONWIDE MORTGAGE					



Subject Front/UNITS 1 AND 2

521 Cowpath Rd

Sales Price

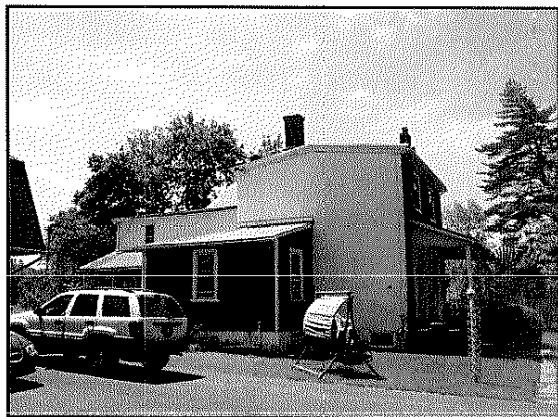
N/A

G.B.A.

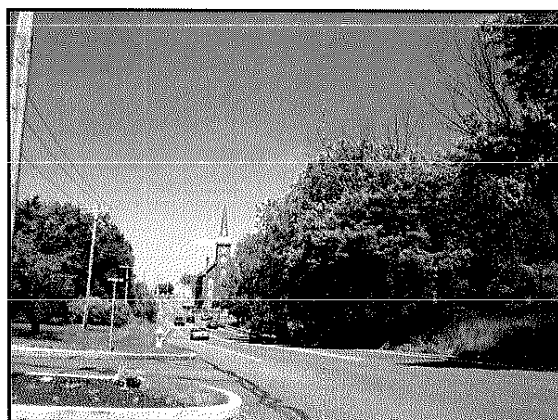
5,635

Age/Yr.Blt.

140 YRS



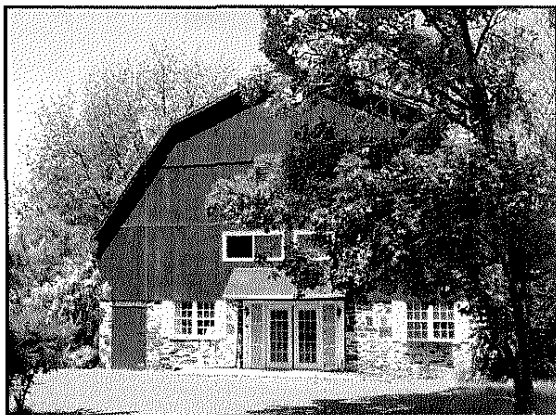
Subject Rear



Subject Street

Subject Photo Page

Borrower/Client	KENNETH J TAGGART					
Property Address	521 Cowpath Rd					
City	TELFORD	County	MONTGOMERY	State	PA	Zip Code 18969-7100
Lender	EAGLE NATIONWIDE MORTGAGE					



Subject Front/3RD UNIT/BARN

521 Cowpath Rd

Sales Price

N/A

G.B.A.

5,635

Age/Yr.Blt.

140 YRS

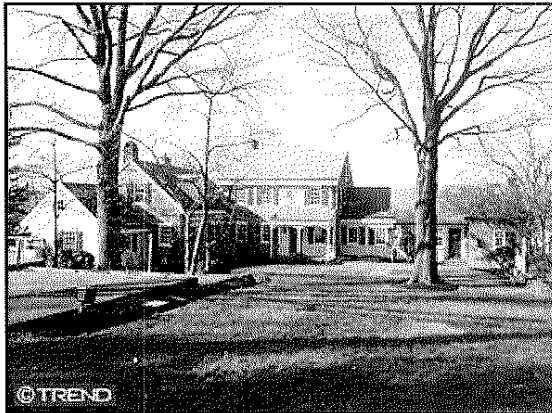


Subject Rear

Subject/SIDE BARN ENTRANCE

Comparable Photo Page

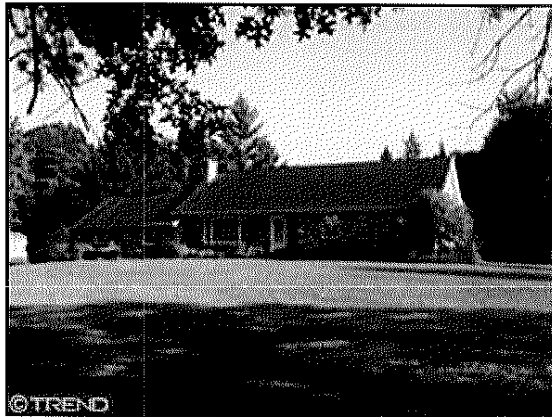
Borrower/Client	KENNETH J TAGGART					
Property Address	521 Cowpath Rd					
City	TELFORD	County	MONTGOMERY	State	PA	Zip Code 18969-7100
Lender	EAGLE NATIONWIDE MORTGAGE					



Comparable 1

3206 SKIFFPACK PIKE

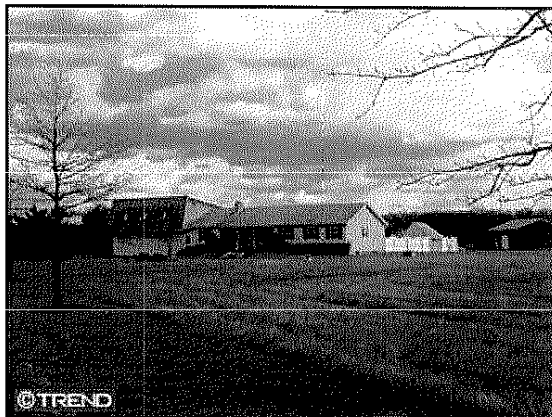
Sales Price	1,150,000
G.B.A.	4,284
Age/Yr. Blt.	49 YRS



Comparable 2

2270 PERKIOMENVILLE RD

Sales Price	725,000
G.B.A.	2,729
Age/Yr. Blt.	48 YRS



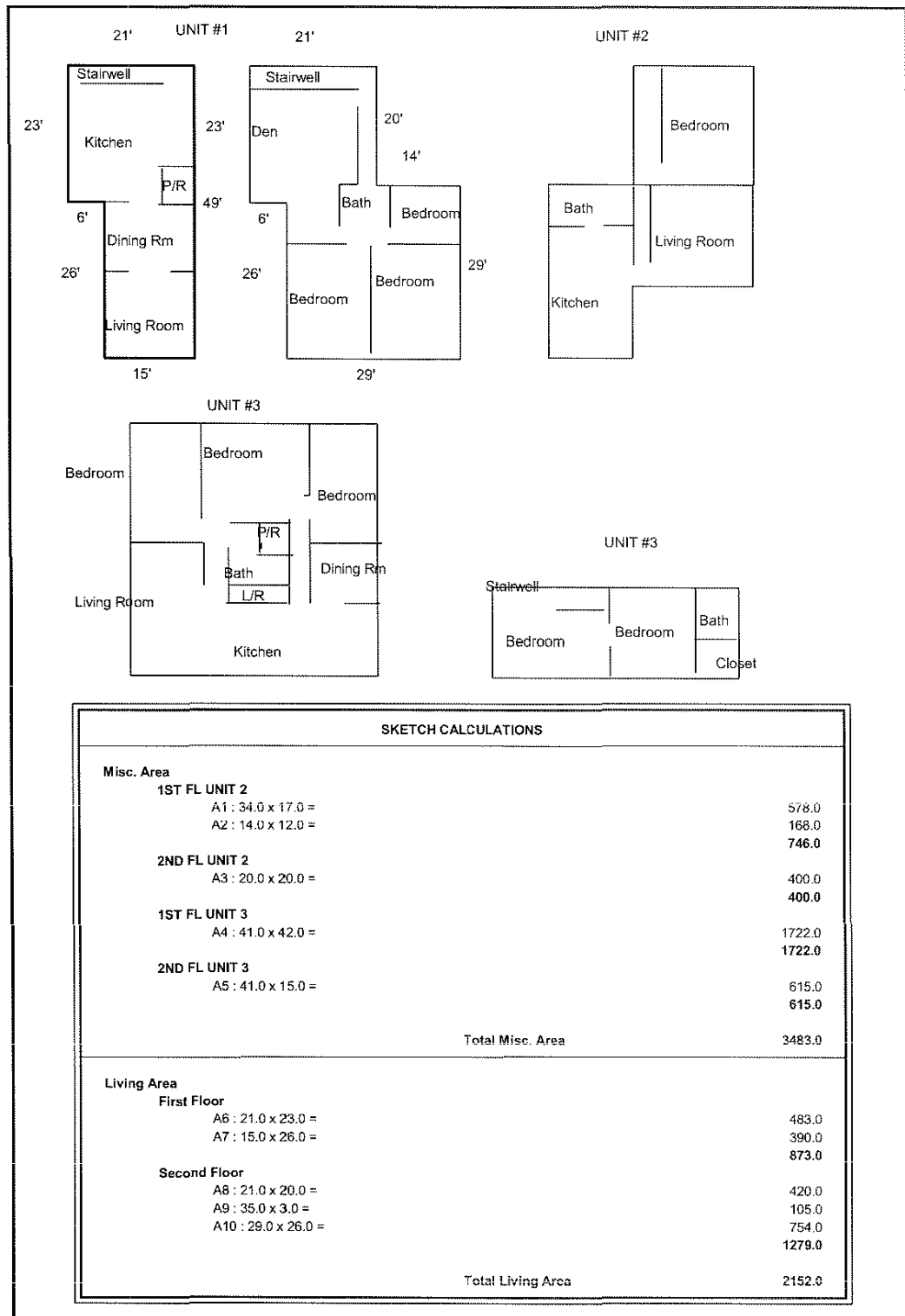
Comparable 3

3055 BEDMINSTER RD

Sales Price	650,000
G.B.A.	2,754
Age/Yr. Blt.	31 YRS

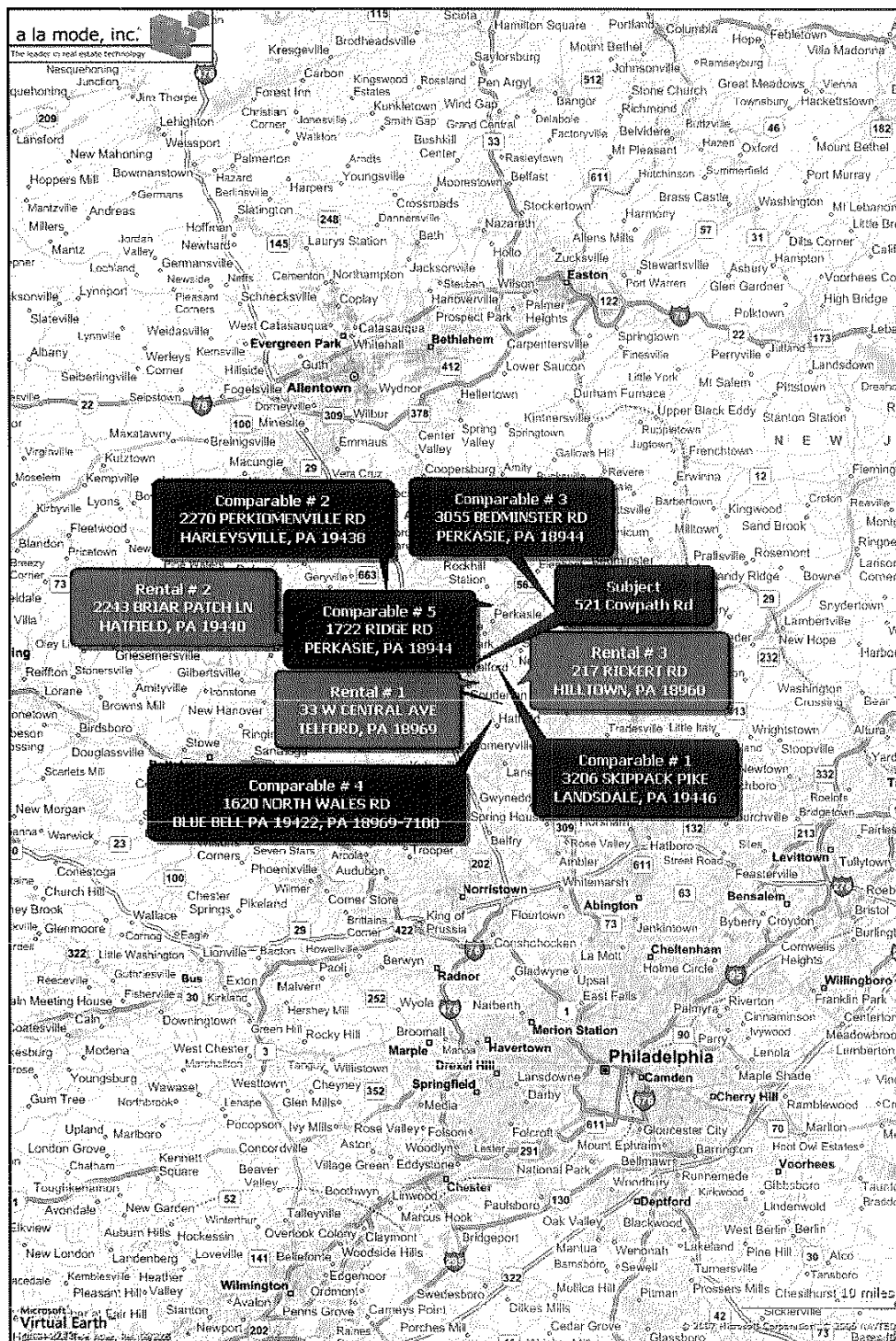
Above-Grade Building Sketch (Page - 1)

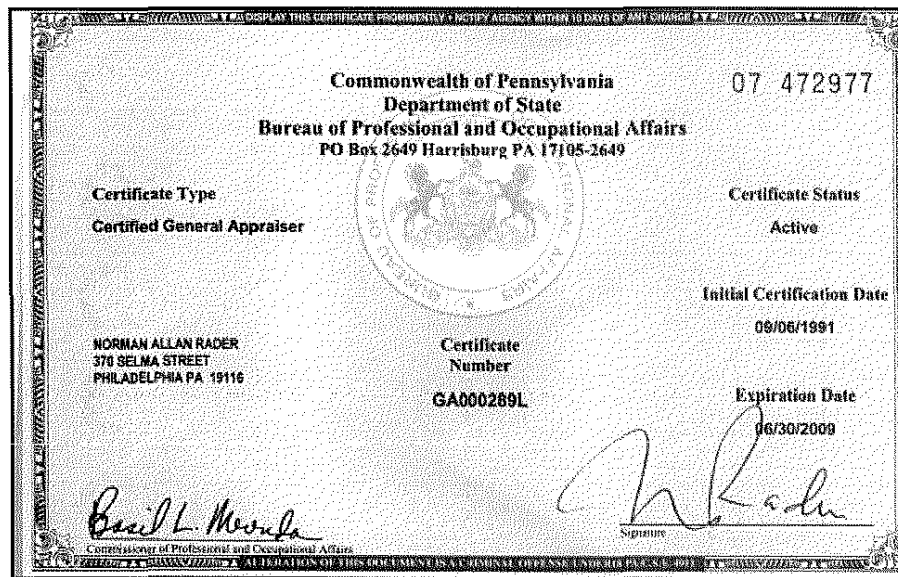
Borrower/Client	KENNETH J TAGGART		
Property Address	521 Cowpath Rd		
City	TELFORD	County	MONTGOMERY
		State	PA
		Zip Code	18969-7100
Lender	EAGLE NATIONWIDE MORTGAGE		



LOCATION AND COMPARABLE SALES MAP

Borrower/Client	KENNETH J TAGGART				
Property Address	521 Cowpath Rd				
City	TELFORD	County	MONTGOMERY	State	PA
Lender	EAGLE NATIONWIDE MORTGAGE				
				Zip Code	18969-7100

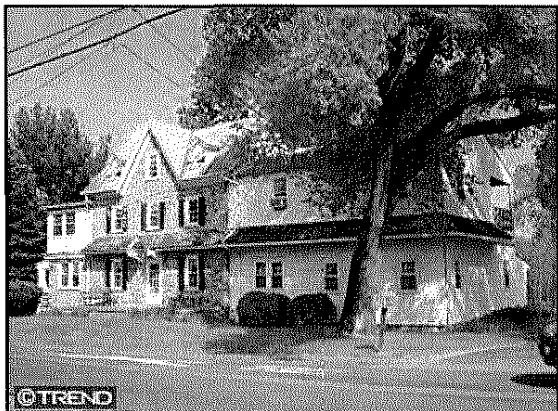




CURRENT CERTIFIED GENERAL APPRAISER'S CERTIFICATE

Comparable Photo Page

Borrower/Client	KENNETH J TAGGART					
Property Address	521 Cowpath Rd					
City	TELFORD	County	MONTGOMERY	State	PA	Zip Code 18969-7100
Lender	EAGLE NATIONWIDE MORTGAGE					



Comparable 4

1620 NORTH WALES RD
Sales Price 1,000,000
Gross Building Area 5,957
Age 173 YRS



Comparable 5

1722 RIDGE RD
Sales Price 849,000
Gross Building Area 3,269
Age 157 YRS

Comparable 6

Sales Price
Gross Building Area
Age

Operating Income Statement**One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property**

Property Address

521 Cowpath Rd

Street

TELFORD

City

PA

State

18969-7100

Zip Code

General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.

	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	MTH/MTH	\$ 1,750	\$ 2,700	Electricity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 2	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	MTH/MTH	\$ 795.00	\$ 875	Gas	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 3	Yes <input type="checkbox"/> No <input type="checkbox"/>	OWNER	\$	\$ 2,800	Fuel Oil	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Unit No. 4	Yes <input type="checkbox"/> No <input type="checkbox"/>		\$	\$	Fuel (Other)	<input type="checkbox"/>	<input type="checkbox"/>
Total			\$ 2,545	\$ 6,375	Water/Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>
					Trash Removal	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (for new properties the applicant's projected income and expenses must be provided). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (e.g. Applicant/Appraiser 288/300). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months**Income** (Do not include income for owner-occupied units)

	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Gross Annual Rental (from unit(s) to be rented)	\$ 30,540	\$
Other Income (include sources)	+	+
Total	\$ 30,540	\$
Less Vacancy/Rent Loss	- 916 (3%)	- (3%)
Effective Gross Income	\$ 29,624	\$

Expenses (Do not include expenses for owner-occupied units)

Electricity		
Gas		
Fuel Oil		
Fuel	(Type -	
Water/Sewer		
Trash Removal		
Pest Control		
Other Taxes or Licenses		
Casual Labor	1,000	
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating		
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance		
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses		
These are the customer expenses that a professional management company would charge to manage the property.		
Supplies		
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	1,855	1,855
Miscellaneous		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
Total Operating Expenses	\$ 2,855	\$ 1,855

Freddie Mac
Form 998 Aug 88**This Form Must Be Reproduced By Seller**
Page 1 of 2Fannie Mae
Form 216 Aug 88

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner's operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges @ \$ <u>450</u> ea. + <u>15</u> Yrs. x <u>3</u> Units = \$ <u>90</u>				\$ <u>90</u>
Refrigerators @ \$ <u>450</u> ea. + <u>15</u> Yrs. x <u>3</u> Units = \$ <u>90</u>				\$ <u>90</u>
Dishwashers @ \$ <u>450</u> ea. + <u>15</u> Yrs. x <u>3</u> Units = \$ <u>90</u>				\$ <u>90</u>
A/C Units @ \$ <u>300</u> ea. + <u>8</u> Yrs. x <u>2</u> Units = \$ <u>75</u>				\$ <u>75</u>
C. Washer/Dryers @ \$ <u>300</u> ea. + <u>8</u> Yrs. x <u>2</u> Units = \$ <u>75</u>				\$ <u>75</u>
HW Heaters @ \$ <u>3,000</u> ea. + <u>20</u> Yrs. x <u>1</u> Units = \$ <u>150</u>				\$ <u>150</u>
Furnace(s) @ \$ <u>3,000</u> ea. + <u>20</u> Yrs. x <u>1</u> Units = \$ <u>150</u>				\$ <u>150</u>
(Other) @ \$ <u>3,000</u> ea. + <u>20</u> Yrs. x <u>1</u> Units = \$ <u>150</u>				\$ <u>150</u>
Roof @ \$ <u>20,000</u> + <u>20</u> Yrs. x One Bldg. = \$ <u>1,000</u>				\$ <u>1,000</u>

Carpeting (Wall to Wall)

(Units)	Total Sq. Yds.	@ \$	Per Sq. Yd.	+ Yrs.	=	\$	\$
<u>300</u>	<u>15</u>	<u>15</u>	<u>10</u>	<u>10</u>	<u>Yrs.</u>	<u>450</u>	<u>450</u>
(Public Areas)							

Total Replacement Reserves. (Enter on Pg. 1)

\$ 1,855 \$ 1,855

Operating Income Reconciliation

\$ <u>29,624</u>	-	\$ <u>2,855</u>	=	\$ <u>26,769</u>	+ 12 =	\$ <u>2,231</u>
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ <u>2,231</u>	-	\$ <u>2,231</u>	=	\$ <u>0</u>		
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter's instructions for 2-4 Family Owner-Occupied Properties

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower's stable monthly income.

Underwriter's instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower's monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower's **primary residence** to the borrower's stable monthly income.

Appraiser's Comments (Including sources for data and rationale for the projections)

NORMAN A A RADER

Appraiser Name

Norm A A Rader
Appraiser Signature

6/16/08

Date

Underwriter's Comments and Rationale for Adjustments

Underwriter Name

Underwriter Signature

Date

Freddie Mac
Form 998 Aug 88

Page 2 of 2

Fannie Mae
Form 216 Aug 88